

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,  
*et al.*,

Debtors.<sup>1</sup>

PROMESA  
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**STATUS REPORT OF THE PUERTO RICO FISCAL AGENCY AND FINANCIAL  
ADVISORY AUTHORITY REGARDING THE GOVERNMENT OF PUERTO RICO'S  
RECENT ACTIVITIES AND RESPONSE TO THE ONGOING COVID-19 PANDEMIC**

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), through its undersigned counsel, submits this status report on behalf of the Government of the Commonwealth of Puerto Rico (the “Government”) in response to the Court’s Order Regarding Procedures for the August 4-5, 2021 Omnibus Hearing [ECF No. 17522] and states as follows:

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<sup>1</sup> The Debtors in these Title III cases, along with each Debtor’s respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566(LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), and (iv) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801).

## **PRELIMINARY STATEMENT<sup>2</sup>**

The Government continues to focus its efforts on safeguarding public health and services, addressing the economic distress caused by the COVID-19 pandemic, and stimulating economic activity, among other areas. Since the diminution of COVID-19 cases reported in the June Report, Puerto Rico, along with the rest of the United States, has faced an increase in COVID-19 cases as a result of the Delta-variant. As of last week, daily cases averaged 130 and the positivity rate was approximately 7.17%.<sup>3</sup> The Government has taken measures to curb the spread of the virus and, along with the Department of Health's ("DOH"), to continue to encourage the vaccination of all eligible individuals. Puerto Rico continues among the top jurisdictions in the world<sup>4</sup> in vaccinations among its population - as of last week, 4 million COVID-19 vaccines have been administered, and over 66% of all eligible residents in Puerto Rico have been fully vaccinated. These efforts have allowed the continued and gradual reopening of Puerto Rico's economy while, along with additional measures detailed below, helping to curb the spread of COVID-19.

Due to these and other factors, there continue to be signs of significant improvement in Puerto Rico's economy in the past months. Since January 2021, hotel occupancy has nearly tripled and current bookings for 2021 are expected to exceed record-setting numbers observed in 2019. Further, airport traffic for June 2021 exceeded 1MM visitors, a number higher than any month during 2019, and Puerto Rico has just received its first cruise ship with passengers since the start of the pandemic.

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<sup>2</sup> Defined terms not otherwise defined herein shall have the same meaning given to them in *Status Report of the Puerto Rico Fiscal Agency and Financial Advisory Authority Regarding the Government of Puerto Rico's Recent Activities and Response to the Ongoing Covid-19 Pandemic* (the "June Report") [ECF No. 16979].

<sup>3</sup> See Executive Order 2021-058, dated July 28, 2021.

<sup>4</sup> See [Covid-19 vaccine tracker \(ft.com\)](https://covid19.vaccineinfo.info/).

The Government also continues to disburse federal and local aid to residents, businesses, hospitals, and municipalities. Since the last status report, the Government has announced funding to continue vaccination efforts, aid municipalities, rebuild schools and Government buildings, and provide funding for hospitals, restaurants and other industries, among other areas. These efforts are detailed below and these and other key data are summarized in the AAFAF Weekly Reporting Dashboard, dated July 30, 2021 and included as **Exhibit A**.

**I. Executive and Administrative Orders to Address the Ongoing Crisis and the Recent Spike in Positive Cases**

1. By the end of June 2021, COVID-19 cases, positivity rates, and hospitalizations were at their lowest point since April 2020. Accordingly, on July 1, 2021, Governor Pierluisi issued Executive Order 2021-054 (“Executive Order 54”), which lifts most of the restrictions placed on businesses and other activities through prior executive orders and delegates to the Secretary of the DOH the powers to implement any further measures necessary to address the Covid-19 pandemic.<sup>5</sup> Through Executive Order 54, the Secretary of the DOH can establish the guidelines, protocols, and recommendations needed to address the COVID-19 pandemic, focused for each particular sector, activity or areas.

2. To implement Executive Order 54, on July 1, 2021, the Secretary of the DOH issued Administrative Order 2021-508, through which it established various measures to prevent the spread of COVID-19, among these, requiring quarantine and distancing measures for unvaccinated individuals with certain symptoms, requiring the use of masks for unvaccinated individuals and those working or visiting health facilities, and establishing guidelines for mass gatherings.<sup>6</sup>

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<sup>5</sup> See OE-2021-54 (Certified Translation) on <https://basecero.ogp.pr.gov/apex/f?p=161:15>.

<sup>6</sup> See [OA 508 Para establecer medidas de seguridad para enfrentar el COVID-19.pdf \(salud.gov.pr\)](#)

3. Since July 2021, there has been an increase in COVID-19 cases, positivity rates, and hospitalizations in Puerto Rico and the rest of the United States as a result of, among other things, the Delta-variant. To address this increase, the DOH and the Governor have taken various measures.

4. On July 22, 2021, the Secretary for the DOH issued Administrative Order 2021-509, to require all eligible students over 12 years of age, as well as all teachers and personnel, in public and private schools to be vaccinated as a requisite to attending classes in-person.<sup>7</sup>

5. Similarly, on July 28, 2021, the Governor issued Executive Order 2021-058, requiring all eligible government employees, with limited exceptions and measures, to be vaccinated.<sup>8</sup>

6. Finally, on July 28, 2021, the Secretary of the DOH issued Administrative Order 2021-512, requiring the use of masks for all individuals (vaccinated or not) in indoor spaces, and in outdoor areas where social distancing guidelines cannot be followed.<sup>9</sup>

As detailed below, the Government also continues its efforts to encourage and promote the vaccination of eligible individuals, and the DOH and Governor Pierluisi continue to work closely with experts from various sectors to monitor the spread of the virus to adopt or modify any necessary restriction that may be required on a timely basis.

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<sup>7</sup> See [OA 509 Para establecer medidas de seguridad en el sistema escolar y universitario para el COVID-19.pdf \(salud.gov.pr\)](#).

<sup>8</sup> See, OE-2021-058 on <https://basecero.ogp.pr.gov/apex/f?p=161:15>. See also, <https://www.fortaleza.pr.gov/content/nueva-orden-ejecutiva-por-el-covid-19-requiere-vacunaci-n-todos-los-empleados-p-blicos>.

<sup>9</sup> [OA 512 Para implementar el uso obligatorio de la mascarilla.pdf \(salud.gov.pr\)](#).

## **II. Status of COVID-19 Vaccination Process, Infections and Hospital Capacity**

7. The DOH continues to focus its efforts on implementing its vaccination plan across the island to control the spread of the COVID-19 virus and achieve herd immunity.

8. As of July 30, 2021, the DOH has administered 3,909,182 doses of the COVID-19 vaccines and estimates that 66% (over 1.8 Million) of all eligible residents in Puerto Rico have been fully vaccinated and over 76% (over 2.1 Million) have received one dose.<sup>10</sup> The Government has also enacted several programs to reach and encourage eligible individuals to get vaccinated. Among these, the Government and the DOH continue holding multiple vaccination events throughout Puerto Rico and have launched the program “VacunaTe Paga”, providing prizes for individuals who get vaccinated.<sup>11</sup> These and other efforts continue to achieve results, as Puerto Rico is among the top fifteen countries in the world in vaccinations among its population.<sup>12</sup>

9. As detailed in previous reports, the DOH maintains a “dashboard” to provide daily updates on COVID-19 related statistics.<sup>13</sup> As of July 30, 2021:

- Puerto Rico has 126,595 confirmed cases, 19,622 probable cases, and 2,580 reported deaths.
- At the moment, 1,288 ventilators are in stock and available to be used in Puerto Rico. 330 are in use, of which 15 are due to COVID-19. 141 pediatric ventilators are in stock and available, of which 37 are in use, none of them due to COVID-19.
- 145 adult patients are hospitalized due to COVID-19, of whom 28 are in intensive care, and 16 are using ventilators. 26 pediatric patients are hospitalized, of whom 2 are in intensive care.

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<sup>10</sup> <https://covid19datos.salud.gov.pr>.

<sup>11</sup> [VacunarTE Paga Centros | Vacunacion \(protegetevacunate.com\)](#).

<sup>12</sup> [Covid-19 vaccine tracker \(ft.com\)](#).

<sup>13</sup> <https://covid19datos.salud.gov.pr>.

- 4,088 adult beds and 586 pediatric beds are currently in use out of a total 6,891 and 1,292 hospital beds, respectively. 421 ICU beds and 31 pediatric ICU beds are currently in use out of a total 620 and 80, respectively.

### **III. Update on Funding Related to COVID-19 and Disaster Relief Funds**

#### **A. Federal Funding under the American Rescue Plan Act**

10. As detailed in the June Report, the Government continues implementing measures to distribute the federal assistance available under the American Rescue Plan (“ARPA”) pursuant to its strategic plan. Puerto Rico’s municipalities may request and have available over \$1.5 Billion distributed in two equal payments in 2021 and 2022 respectively in funding to aid in the economic recovery and other areas relating to the COVID-19 pandemic.<sup>[1]</sup> Generally, municipalities must request and receive the funds from the U.S. Department of the Treasury. On July 6, 2021, the Government and AAFAF announced that the process for municipalities categorized as Non Entitlement Units (“NEUs”) may request funding through AAFAF under the Coronavirus Local Fiscal Recovery Fund (“CLFRF”) under ARPA. As such, 51 NEUs Municipalities received the first payment of the Over \$124 Million assigned by Treasury to NEUs.<sup>[2]</sup> The Government has also made available, under its strategic plan, over \$30 Million for non-profit organizations, over \$7 Million for school and online learning materials, and continues providing assistance to government officials and municipalities on the requirements to request and obtain additional funding under ARPA .<sup>14</sup>

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[1] [PR-AAFAF-Ann-Start-Eco-Stimulus-Req-Proc-Muni.pdf](#)

[2] [PR-Municipalities-Receive-ARPA-Economic-Recovery-Fund.pdf](#).

<sup>14</sup> <https://www.aafaf.pr.gov/wp-content/uploads/PR-Acting-Gov-Meets-Mayors-Heads-Gov-Agen-Disc-Scope-Reach-ARPA.pdf>.

**B. Federal Funding Under the Coronavirus Relief Fund**

11. As of July 27, 2021, the Government has disbursed \$1,924,398,305 of the \$2,240,625,864 it has received under the CARES Act Coronavirus Relief Fund. AAFAF has published a report detailing the use of these funds and the disbursements made as of July 27, 2021, which is available at [COVID-19 Resource Center | AAFAF \(pr.gov\)](#). See also [Exhibit A](#).

**C. Update on Disbursements Under the Emergency Measure Support Package**

12. With regard to the COVID-19 Emergency Measure Support Package detailed in the previous reports, as of July 27, 2021, the Government has disbursed \$520.3 million out of the \$787.4 million approved in the package. AAFAF has published a report detailing the use of these funds and the disbursements made as of July 27, 2021, which is available at [COVID-19 Resource Center | AAFAF \(pr.gov\)](#). See also [Exhibit A](#).

**D. Update on Disaster Relief Funds<sup>15</sup>**

13. The Government continues to coordinate relief and funding efforts to address the natural disasters that have affected Puerto Rico in recent years, including the continued recovery following Hurricanes Irma and Maria and the earthquakes that impacted (and continue to impact) the southern and southwestern part of Puerto Rico.

14. As noted in previous reports, on November 20, 2020, the Governor signed Joint Resolution 773, which established a \$750 million revolving credit facility (the “[Revolving Fund](#)”) to allow the Department of Treasury to advance financing for public works to eligible central government agencies, public corporations, instrumentalities, and municipalities. The advances made under the Revolving Fund will be repaid with reimbursements received by FEMA, insurance proceeds, or any other funds available to the applicant. On June 21, 2021, the Governor announced

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<sup>15</sup> The data and information provided herein has been obtained by AAFAF directly from COR3.

changes to streamline grant review procedures for Revolving Fund advances; this new process is expected to substantially reduce the time to obtain advances and reimbursement of eligible expenses.<sup>16</sup>

15. Further, the Government continues to disburse federal aid, and among the various disbursements made and developments since the last status report are the following:

- Over 8,000 projects have been approved by FEMA for disbursement;
- Over 337 permanent repair projects have been completed;
- \$300 million made available to repair road, bridges, and other infrastructure throughout Puerto Rico;
- \$93 million made available to PRIDCO to repair commercial properties damaged by Hurricanes Irma and Maria; and
- \$2.6 million made available to repair a water dam in Patillas.

16. As of July 26, 2021, the United States Congress has appropriated \$65,148,326,006 for Puerto Rico's recovery efforts. Of this amount, approximately \$46,993,022,540 has been committed by federal agencies for distribution, and \$20,704,512,711 has been disbursed. Of the amounts obligated and disbursed, FEMA has approved \$35,387,357,792 and disbursed \$14,444,335,247 of the total amounts detailed above. The Government's use of these funds is detailed on the COR3 website and can be accessed at: <https://recovery.pr/en>. See also **Exhibit A**.

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<sup>16</sup> <https://www.fortaleza.pr.gov/content/gobernador-presenta-cambios-en-pol-ticas-de-reembolsos-y-adelantos-de-fondos-federales-en>.

Dated: August 3, 2021  
San Juan, Puerto Rico

Respectfully submitted,

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